Preferences for FDI

184. SHRI SANTOSH BAGRODIA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) Whether it is a fact that preferences have been fixed for foreign direct investment;

(b) if so, the list of such industries; and

(c) what are the criteria for fixing the preferences of the industries in the said list?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN): (a) to (c) Foreign Direct Investment (FDI) is seen as a means to supplement domestic investment for achieving a higher level of economic development. With a view to attracting more FDI, Government has put in place a transparent, dynamic and investment friendly FDI policy placing almost all activities under the automatic route for FDI up to 100% keeping in view the national priorities and sector specific guidelines.

Project report on SEZ at Paradeep

185. SHRI ANANTA SETHI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have approved the proposal to set up a Special Economic Zone at Paradeep in Orissa;

(b) if so, whether the State Government has submitted the project report in this regard;

(c) if so, the details thereof; and

(d) the steps taken to implement that project report?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) to (d) In principle approval has been given for setting up of a Special Economic Zone at Paradeep on the basis of request received from the Government of Orissa. Formal

proposal including project report is awaited from the State Government.

Impact of QRs removal on exports and imports

186. SHRI SURESH PACHOURI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have removed QRs on certain items of imports recently;

(b) if so, the details thereof; and

(c) the impact of the removal of QRs on India's exports and imports?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) As part of the continuing economic liberalization programme being followed since 1991, import restrictions on 715 items were removed on 31.03.2001. These items include 147 agricultural products, 330 textile products and 238 other manufactured products. The details of these items are available in the Parliament Library.

Import restrictions on 714 items were removed on 31.3.2000. The import data of these items for the year 2000-01 have now been compiled and the data indicate a growth rate of less than 3% for these items during this period. The growth rate of exports during this period was more than 19%.

The import restrictions on 715 items have only been removed on 31.3.2001. Thus, it is too early to assess the likely impact of this measure on export and import of India even though the first quarter figures do not show any overall increase in imports.